Response to Office Action Mailed April 18, 2003

A.   Claims in the Case

Claims 1-63 have been rejected. Claim 1 has been amended. Claims 1 and 3-63 are pending.

B.   The Claims Are Not Obvious Over McKee in View of Hammond Under 35 U.S.C. § 103(a)

The Examiner has rejected claims 1-63 as being obvious over U.S. Patent No. 6,272,482 to McKee et al. (hereinafter "McKee") in view of U.S. Patent Application No. 5,613,072 to Hammond et al. (hereinafter "Hammond") under 35 U.S.C. § 103(a). Applicant respectfully disagrees with these rejections.

In order to reject a claim as obvious, the Examiner has the burden of establishing a *prima facie* case of obviousness. *In re Warner* et al., 379 F.2d 1011, 154 U.S.P.Q. 173, 177-178 (C.C.P.A. 1967). To establish a *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 U.S.P.Q. 580 (C.C.P.A. 1974), MPEP § 2143.03.

Claim 1 describes a combination of features including but not limited to the following features:

a rules engine which is operable to assess a value of an insurance claim as a function of a
   plurality of rules, wherein said plurality of rules comprise formulas to assess said
   value of said insurance claim;

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a database which stores formula data, wherein said database is separate from said rules engine; and

a translator program which is operable to read said formula data from said database and transform said formula data into said formulas of said plurality of rules.

In rejecting claim 1, the Examiner states in part that:

McKee does not explicitly disclose wherein said database is separate from said rules engine; and a translator program which is operable to read formula data from said database and transform said formula data into said formulas of said plurality of rules. (Office Action, page 2).

Applicant agrees that McKee does not teach these features. The Examiner further states:

In particular, Hammond suggests wherein said database is separate from said rules engine (Col. 13, lines 54-67 to Col. 14, line 17); and a translator program which is operable to read formula data from said database and transform said formula data into said formulas of said plurality of rules (The Examiner interprets computer program as a form of translator which can update its records on its active workers' compensation claims 30 as a matter of course on a host computer 34 which is typically a multi-function main frame computer maintained by the carrier (Col. 3, lines 30-67 to Col. 4, line 67). (Office Action, pages 2-3)

Applicant respectfully disagrees with the Examiner that Hammond teaches a translator program as recited in claim 1. The Examiner cites Hammond:

The historical claim data 10 is analyzed and statistical techniques are applied to the data 10 to create statistical models 22 which are later used to predict future

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costs and durations of the carrier's active workers' compensation claims. In this

regard, a professional statistician 26 applies various statistical analysis techniques

to the claim data 10 in order to create the statistical models 22. (Hammond, col.

3, lines 53-59)

Hammond specifically discloses a "professional statistician" creates "statistical models" from data stored on the system. First, claim 1 recites "a translator program", not a "professional statistician" as taught by Hammond. Second, the data in the database of Hammond is being manipulated to create "statistical models", not "formulas of said plurality of rules" as recited in claim 1. As stated in the Applicant's specification:

> In one embodiment, the database 40 may include a plurality of tables, which may
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> be accessed by a translator program, also referred to as an application program, to
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> transform, create, generate, or instantiate the data stored in the tables into
>
> formulas. (Applicant's Specification, page 14, lines 20-22).

The Applicant's specification further states:

> In another embodiment, the translator program may transform data stored in
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> tables into static instances of an object class. In one embodiment, for example,
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> the formula data table shown by way of example in Figure 3a includes data
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> structured in tabular format, i.e., a table with several rows and columns. In one
>
> embodiment, the Formulas class of objects may include static instances wherein
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> each static instance is a direct representation of a row of data in the formula data
>
> table. (Applicant's specification, page 14, line 26 – page 15, line 1).

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The translator program disclosed in Applicant's specification reads formula data from the database and transforms the formula data into formulas of the plurality of rules. Hammond does not teach the formulas as recited in claim 1. Hammond teaches:

> The review process is initiated in a step 140 by reading the historical file using a statistical applications program such as SAS. Procedures within SAS provide summary statistics for all variables in the file. The summary statistics produced by SAS include, but are not limited to, means, variances, correlations, minimums and maximums for continuous variables (e.g., dollar fields), and contingency tables (both one-way and multi-way) for discrete variables (e.g., BODY PART). (Hammond, col. 6, lines 29-37).

Hammond does not disclose "a translator program which is operable to read said formula data from said database and transform said formula data into said formulas of said plurality of rules" as recited in claim 1. Applicant respectfully requests the Examiner cite where in Hammond "a translator program which is operable to read said formula data from said database and transform said formula data into said formulas of said plurality of rules" is taught.

Furthermore, the Examiner has not stated a prima facie case of obviousness for why McKee and Hammond are combinable. As stated in the MPEP §2142:

> To establish a prima facie case of obviousness, three basic criteria must be met. First, <u>there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings</u>. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. In re Vaeck, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991). (emphasis added)

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There is no suggestion or motivation in the references or in the knowledge generally available to combine the reference teachings. The Examiner states:

> It would have been obvious to one of ordinary skill in the art at the time the invention was made to have included the feature of Hammond within the system of McKee with the motivation of providing a generated models which are installed onto a designated computer accessible by the insurance carrier. The insurance carrier maintains and updates its active workers' compensation claims on a host computer at the carrier facility (See Hammond Col. 2, lines 31-34).

The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. *In re Mills*, 916 F.2d 680 (Fed. Cir. 1990), MPEP § 2143.01. Further, Applicant respectfully submits that whether or not "a particular combination might be 'obvious to try' is not a legitimate test of patentability." *In re Fine*, 837 F.2d 1071, 1075, 5 USPQ2d 1596, 1599 (Fed. Cir. 1988). McKee actually teaches away from using Hammond. For example, McKee teaches:

> The foregoing objects are achieved in a method of managing a set of rules used by an application program running on a data processing system, generally comprising the steps of defining a plurality of jurisdictions to the control point. Multiple control points may be created for a given decision, and the mapping step maps different sets of rules to the respective control points. The mapping step may map rules to a given control point from a number of the jurisdictions which is less than the entire number of jurisdictions, i.e., it is possible that not all jurisdictions have rules mapped to a particular control point. (McKee, col. 2, lines 54-67).

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McKee teaches the jurisdictions are "any authority who wishes to assert control over a set of business decisions (McKee, col. 3, lines 61-62)." In addition, McKee teaches that "jurisdictions may be interrogated to inquire if they have any business rules that they wish to apply to an object (McKee, col. 4, lines 3-4)." In contrast, Hammond teaches:

> Periodically, the carrier will apply the statistical models to its active claims to obtain cost and duration predictions by downloading a file containing active claim data to the designated computer.
>
> In applying the models, the significant characteristics of each active claim are analyzed by an appropriate model to generate a cost and duration prediction for each such claim. (Hammond, col. 2, lines 35-42).

There is no teaching or motivation, either in the references themselves or in the prior art to incorporate the statistical models of Hammond with the decision/control point/jurisdiction structure of McKee. Furthermore, the statistical models of Hammond are applied to "each active claim (Hammond, col. 2, line 41)." McKee, however, teaches "a set of rules used by an application program running on a data processing system, generally comprising the steps of defining a plurality of jurisdictions adapted to exert authority over <u>a decision</u> of the application program (emphasis added) (McKee, col. 2, lines 55-58)." The teaching of Hammond does not appear to apply to the decisions of McKee.

Claim 23 describes a combination of features including but not limited to the following features:

> providing a rules engine which is operable to assess a value of an insurance claim as a function of a plurality of rules, wherein said plurality of rules use formulas to assess said value of said insurance claim;

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>   providing a database which stores formula data, wherein said database is separate from said rules engine;
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> reading said formula data from said database; and
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> transforming said formula data into said formulas usable by said plurality of rules.

For at least the reasons discussed in reference to claim 1, Applicant submits that the combination of McKee and Hammond does not appear to teach or suggest all of the features of Applicant's claim 23.

Claim 43 describes a combination of features including but not limited to the following features:

>   providing a rules engine which is operable to assess a value of an insurance claim as a function of a plurality of rules, wherein said plurality of rules use formulas to assess said value of said insurance claim;
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> accessing a database which stores formula data, wherein said database is separate from said rules engine;
>
> reading said formula data from said database; and
>
> transforming said formula data into said formulas usable by said plurality of rules.

For at least the reasons discussed in reference to claim 1, Applicant submits that the combination of McKee and Hammond does not appear to teach or suggest all of the features of Applicant's claim 43.

C. Many Of The Dependent Claims Are Separately Patentable

The Examiner is also respectfully requested to separately consider each of the dependent claims for patentability. Many of the dependent claims in addition to those mentioned above are independently patentable.

For instance, claim 6 recites in part "wherein said formula data comprises a plurality of entries in said database, wherein at least one entry comprises a formula identifier." Applicant submits that this feature, in combination with the features of the independent claims, does not appear to be taught or suggested by the cited art. The Examiner cites Hammond for this teaching:

> Assuming a sufficient amount of available raw claim data, in a step 164, the program randomly divides each of the INJURY TYPE specific subfiles into two groups; one data subset is for model development and the other data subset is for model accuracy assessment. (Hammond, col. 8, lines 8-12).

Hammond does not appear to teach "at least one entry comprises a formula identifier" as recited in claim 6.

In addition, claim 8 recites in part "wherein said formula data comprises a plurality of entries in said database, wherein at least one entry comprises a section description." Applicant submits that this feature, in combination with the features of the independent claims, does not appear to be taught or suggested by the cited art. The Examiner cites McKee for this teaching:

> Many older business applications contain rudimentary business rules inherent in the program control logic. However, since these applications cannot adjust to the dynamically changing business conditions, the flexibility of such business rules is severely limited. More recently, an alternative approach has been formulated, which allows developers to create modular business rules, and allows business experts to specify rule parameters using a high-level business rules language. Another approach is to use object-oriented systems to encapsulate the "rules" using a strategy pattern (or method template) from a pattern book. This approach

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is not dynamic and requires code changes to implement. (McKee, col. 2, lines 8-20)

McKee does not appear to teach a "database, wherein at least one entry comprises a section description" as recited in claim 8. McKee appears to teach "modular business rules" and "strategy pattern(s)," but McKee does not appear to teach databases or section descriptions in a database.

In addition, claim 9 recites in part "wherein said formula data comprises a plurality of entries in said database, wherein at least one entry comprises a page identifier." Applicant submits that this feature, in combination with the features of the independent claims, does not appear to be taught or suggested by the cited art. The Examiner has cited the same passage from McKee for this teaching as the Examiner cited respective to claim 8. McKee does not appear to teach databases or page identifiers in a database.

Furthermore, claim 15 recites in part:

wherein said formula data are configured to be modified as a function of business requirements of an insurance organization to form modified formula data;

wherein said translator program is configured to be modified as a function of business requirements of an insurance organization to form a modified translator program; and

wherein said modified translator program is configured to read said modified formula data from said database and transform said modified formula data into a modified plurality of formulas.

Applicant submits that this feature, in combination with the features of the independent claims, does not appear to be taught or suggested by the cited art. The Examiner states:

As per claim 15, McKee discloses the system wherein said formula data are configured to be modified as a function of business requirements of an insurance organization to form modified formula data (Col. 3, lines 44-67); wherein said translator program is configured to be modified as a function to of business requirements of an insurance organization to form a modified translator program (Col. 5, lines 32-52); and wherein said modified translator program is configured to read said modified formula data from said database and transform said modified formula data into a modified plurality of formulas (Col. 5, lines 32-52). (Office Action, page 5)

McKee appears to teach the use of "rules (McKee, col. 5, line 40)," not "formula data" as recited in claim 15. Furthermore, even if the "rules" of McKee were formula data, McKee does not appear to teach forming "modified formula data" as recited in claim 15. Instead, McKee teaches "subsetting a large set of business rules (McKee, Col. 3, lines 50-51)." In addition, McKee does not appear to teach forming "a modified translator program" or reading "said modified formula data from said database and transform said modified formula data into a modified plurality of formulas" as recited in claim 15.

D. Summary

In light of the foregoing remarks, Applicant submits the application is now in condition for allowance, and an early notice to that effect is requested.

No fees are believed necessary; however, the Commissioner is authorized to charge any fees which may be required, or credit any overpayment, to Meyertons, Hood, Kivlin, Kowert & Goetzel, P.C. Deposit Account No. 50-1505\5053-27900\EBM.

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Respectfully submitted,

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Date: 6/18/03